



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

GRANT ALERT

FY 2006 MASSACHUSETTS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

HOUSING DEVELOPMENT SUPPORT PROGRAM (HDSP)

NOTICE OF INTENT TO APPLY

The Housing Development Support Program (HDSP) provides federal Community Development Block Grant funds, usually in conjunction with other public and/or private resources, for the development, preservation, or improvement of affordable housing units. Any city or town not designated as an entitlement community by the U.S. Department of Housing and Urban Development (HUD) may apply for HDSP funding.

Communities must submit a Notice of Intent (NOI) in order to apply for HDSP funds. The NOI must be submitted under signature of the community's Chief Elected Official.

Please Note: Communities seeking FY 2006 HDSP funding must submit a FY 2006 Commonwealth Capital Application to the Office for Commonwealth Development no later than the HDSP application due date.

The NOI provides essential information about the project and confirms its consistency with HDSP eligibility requirements. HDSP staff will review NOIs, and an initial informational meeting for eligible proposals will be scheduled with the community. Following the initial meeting, the applicant community will be notified in writing if it will be invited to submit an application and if any additional information is needed. If, on the basis of the initial meeting, the community is not invited to submit an application, such notice will detail the reasons.

The NOI must be received by DHCD at least seven (7) weeks prior to the application due dates. For FY 2006 HDSP applications, the NOI must be received by DHCD no later than **Thursday, September 29, 2005 for the first round of FY 2006 funds, and Thursday, February 23, 2006 for the second round.**

Applications are due by 5:00 PM or the end of business day on **Thursday, November 17, 2005** for the first round of FY 2006 funds, and **Thursday, April 13, 2006** for the second round.

Before submitting an NOI, communities are strongly advised to *review the complete HDSP guidelines @ www.mass.gov/dhcd* in the Draft 2006 Mass. CDBG One Year Plan. You are also encouraged to *contact HDSP staff at 617-573-1443 or 617-573-1442.*

Please submit your Notice to:

Department of Housing and Community Development
Housing Development Support Program - Division of Community Services
100 Cambridge Street, Suite 300, Boston, MA 02114

City/Town of _____

Contact (name/title/address/phone): _____

Name of Project: _____

Signature of Chief Elected Official: _____

Date: _____

1. Briefly describe the proposed project. Include specific information concerning project size, type, low/moderate income benefit and affordability terms.
2. Is there a need and a market for this project?
3. What are the total estimated project costs? What is the source of the estimate?
4. Identify all proposed sources and uses of project financing. What is the status of the proposed financing and the estimated timeline for securing the financing?
5. Identify the specific use proposed for HDSP funds and the procurement/contracting process to be followed.
6. Discuss the status of the proposed project(s). Describe steps necessary for project completion, and timetable for completion of major steps. Please identify all permits, variances, and other approvals required for implementing the proposed project and anticipated timetable for their approval. Also, please identify any potential obstacles to the project completion, and how they will be resolved.
7. Does the developer currently own/control the site? If not, when will site control be achieved?
8. Identify all known project participants, including owner/developer, architect, development consultant, HDSP grant manager, and their respective roles.

ADDITIONAL INFORMATION

(For a complete, detailed program description, guidelines, and requirements, please refer to the FY 2006 Draft One Year Plan.)

HDSP funding is generally limited to projects containing fewer than eight units. NOTE: Housing projects serving persons with special needs, and single-room occupancy (SRO) projects may exceed the seven-unit limit. Project grant amounts are limited to a minimum of \$100,000, and a maximum of \$500,000, plus administrative costs.

Projects involving the conversion to housing of upper story space in downtown buildings and other adaptive reuse proposals may include up to 10 units and may apply for up to \$750,000 plus administrative costs.

For most projects, the total combined amount of all state and federal grants shall not exceed 75 percent of total actual project costs. Please note that projects exclusively benefiting special-needs populations may qualify for up to 100 percent of total actual project costs. The Director of DHCD may waive the 75% criterion if circumstances so warrant. Prior consultation with HDSP staff is required prior to requesting a waiver.

Projects involving new construction shall be limited to infill housing development as part of downtown or village center revitalization and must meet applicable federal requirements.

Projects receiving funding from any source administered by DHCD's Division of Housing Development (formerly Private Housing) are excluded from applying to HDSP.

Projects other than SROs that include at least one (1) affordable three-bedroom unit, with no other unit smaller than one bedroom, will receive additional scoring consideration.

Major permits and approvals must be in place prior to applying to the Housing Development Support Program. DHCD reserves the right to limit the number of applications a community may submit in one fiscal year.

Housing Development Support Program (HDSP) Guidelines

- The HDSP will provide \$5 million in FY 2006, to fund smaller projects in communities that address a variety of activities supporting the development, improvement and retention of public or private housing affordable to low- and moderate-income persons. Typical project activities include moderate or substantial rehabilitation of residential and mixed-use projects; reclamation of abandoned/foreclosed properties; elderly, transitional and special needs housing; and conversion to housing of obsolete and under-utilized structures such as vacant school and mill buildings. Funds may be used for acquisition, rehabilitation, site work and related infrastructure. Fifty-one percent (51%) of the units must be affordable to and occupied by low- and moderate-income households.

Evaluation and Award Criteria

All HDSP projects must comply with the low- and moderate-income National Objective. The requirements set forth in Section D: *APPLICANT/PROJECT THRESHOLDS* above will govern application review and awards.

Applications will be scored on a 100-point system as follows:

CRITERION	POINTS
Affordability	20
Readiness to Proceed	30
Development Team Capacity	10
Site and Design	25
Cost Effectiveness	15
Total	100

Applications must receive a minimum of 70 points to be eligible for funding.